REMARKS

The foregoing amendment and the following arguments are provided generally to impart precision to the claims, by more particularly pointing out the invention, rather than to avoid prior art. Claims 1-5, 7-14, 16-20, 22-29 and 31-45 are pending in the application. Claims 1-5, 7-14, 16-20, 22-29 and 31-45 were rejected. Independent claims 1, 16 and 31 have been amended. Dependent claims 9 and 10 have also been amended.

Rejections Under 35 U.S.C. §102(e)

Claims 1-5, 7, 8, 16-20, 22, 23, 31-35 and 38-44 were rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,223,165 ("Lauffer").

Applicant's independent claims have been amended to include limitations that are not disclosed nor suggested in the Lauffer reference, or other references used by the examiner. In particular, applicant's independent claims have been amended to include the limitation, or a limitation similar thereto, of:

compensating the one or more users based on the rate and a duration of the real time communications between the one or more users and the advertiser to generate a balance to be paid to the user;

enabling the user to purchase one or more items advertised by the selected link by deducting from the balance to be paid to the user. (Applicant's independent Claim 1, added text underlined.)

By the examiner's admission, Lauffer does not disclose the limitation added to the Applicant's independent claim. Furthermore, the reference of U.S. Patent No. 6,807,532 ("Kolls") fails to disclose the added claim limitation. Case in point, Kolls is limited to disclosing a consumer purchasing an item through the use of swiping a credit card through a magnetic card reader/writer.

Referring to FIG. 26 there is shown a routine for passing credit card information over a telecommunication voice connection 2400. In an exemplary embodiment a user can swipe a credit card or present a valid

form of ID at a system 500. Doing so while the system 500 is data communicating or communicating voice will result in passing the card data over the communication line. As an example, a user responds to an advertisement and as required routine 2300 connect the user by phone line to a business. While speaking with a sales representative the user orders a product. When the sales representative requests a credit card number for payment the user can swipe a credit card through magnetic card reader/writer 550. ('532 patent, col. 47, lines 4-18.)

Furthermore, the remaining references used by the examiner, including U.S. Patent No. 6,216,111 ("Walker"), U.S. Patent No. 6,732,183 ("Graham"), and U.S. Patent No. 6,323,894 ("Katz").

CONCLUSION

It is respectfully submitted that all of the Examiner's objections have been successfully traversed and that the application is now in order for allowance. Accordingly, reconsideration of the application and allowance thereof is courteously solicited.

If there are any fees due, please charge them to our Deposit Account No. 50-2638.

Respectfully submitted,

Date: <u>July 19, 2007</u> /<u>John P. Ward/</u>

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